

# State Transportation Commission

Director Gloria J. Jeff June 24, 2004





#### HB 5528

Section 109-reduction of 126 FTEs

 Section 109-would eliminate ability to increase consultant utilization in event of more federal funding or special project requirements

 Section 727-limits states ability to support basic needs of SE Michigan transit users



### HB 5762, SB 1147

- Requires legislative approval of 5-Year Program
- Nullifies MPO/MDOT partnership required for federal funding
- Moves decision-making from cities counties, villages, and townships



#### Legislative Approval of the 5-Year Program Jeopardizes Federal Funding

- 5-Year Program is a key component of the federally required cooperative planning process
- Federal law requires MDOT to develop a Statewide Transportation Improvement Program (STIP) for all areas of the state and to conduct public hearings
- Projects in the 5-Year Program receive extensive local review and public hearings and provide the foundation for the STIP
- The portion of the STIP in urbanized areas of the state must be developed cooperatively by local units of government and transportation providers
- The STIP must be federally approved



#### SB 1168

- Requires legislative approval of bonding for projects
- Potential for missed bonding opportunities
- May jeopardize tax-exempt status of bonds
- Possible constitutional issues



## Splitting the Penny

- Administration recommends that one-half of one cent of the state gasoline tax be redirected from state trunklines to allow local investment in bridges in need of repair
- Splitting the penny fulfills promise made to improve local bridges in need of repair



#### SB 1103

- Eliminates sales tax earmarked for CTF
- Severely reduces funding for public transit, intercity bus service and passenger rail
- Would result in a significant loss in federal grants
- Could not meet Act-51 obligations



## Questions?